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FROM

## THE SECRETARY OF WAR,

TO THE

CHAIRMAN OF THE COMMITTEE OF WAYS AND MEANS,

CONTAINING

OBSERVATIONS ON THE APPROPRIATIONS

FOR

THE MILITARY SERVICE OF THE UNITED STATES,

FOR THE

YEARS 1817, AND 1818.

## JANUARY 14, 1818.

Read, and committed to the committee of the whole House, on the Bill making appropriations for the payment of the arrearages which have been incurred for the support of the Military Establishment of the United States, previous to 1st of January, 1817.

WASHINGTON:

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## DEPARTMENT OF WAR,

DECEMBER 18, 1817.

In answer to your letter of the 11th instant, requesting "an estimate of the amount of each appropriation, the disbursement of which belongs to your Department, which will be undrawn on the 1st of January, 1818, together with an estimate of the amount of each appropriation, which will not be required by your Department for the service of 1817," I have the honor to enclose a statement marked A, exhibiting the amount of the principal appropriations for the support of the military establishment for the year 1817, including arrearages, which remained undrawn on the 1st of this month. What will be the balance of each appropriation undrawn on the 1st of January next, or what portion of the balances then undrawn, will be required to meet the expenses incurred during the present year, it will be difficult to state with precision.

The following observations relative to each item of the appropriations are, however, submitted for the information of the com-

mittee:

Pay of the army, current and arrearages .- After placing in the hands of the paymaster general, a sum sufficient to meet the current expenditure under this head of appropriation for the year 1817, there will probably remain an unexpended balance of 210,000; which, agreeably to the usages of the Treasury Department, will be applicable to any arrearages which may have accrued for pay of the army, previous to the present year: this balance will also be actually increased by the sums which will be refunded, on the settlement of the accounts of the several paymasters, who have been charged with the payment of arrearages; there will also be a further and very large addition to this balance, which will arise from the transfers that will be made on the final settlement of the accounts of the different paymasters: this can, however, be only considered as a nominal increase, for whatever may be the amount that the appropriation for pay shall be credited with on such transfers, other appropriations will be debited with an equal sum; and if these sums should be very considerable, the accounts of the persons involving such transfers, must remain unsettled, as is now the fact in some cases, or certain appropriations would be over drawn. To remove this inconvenience, which has now become a serious one, it is only necessary to amend the act passed at the last session of Congress, so as to authorize the President to make transfers from the appropriation for pay of the army, to any other appropriation, in consequence of any deficit in

such appropriation, arising out of expenses incurred previous to the 1st of January, 1817.

The appropriation for pay of the army for the year 1817, will, in consequence of the ranks of the army not having been full during that period, exceed the current expenses under this head of the appropriations for that year. This excess forms a part, or perhaps the whole of the beforementioned balance of 240,000 dollars, and will be required, in addition to the amount stated in the general estimate which has been trasmitted to the Secretary of the Treasury, for the payment of arrearages.

Subsistence, current and arrearages.—This item of the appropriations will be entirely exhausted on the 1st of January, 1818, and a partial appropriation will be required to make the usual advances for the next year, to the contractors. The amount appropriated under this head, for the current expenses for the year 1817, is believed to have been adequate to the object; but in consequence of transfers which were made on the setlement of individual accounts, this appropriation was debited with upwards of 270,000 dollars, which made it necessary for the President to direct a transfer to be made to its credit, to the amount of 134,000 dollars, to meet the current expenditures.

On the settlement of the accounts of the paymaster general, and those paymasters who have been charged with the payment of arrearages of the "army and militia," this appropriation will be debited with very large sums, and for which the appropriation for pay of the army and militia will be credited. The paymaster general having no data on which he could make an accurate estimate of the amount due to the militia, on account of arrearages, under the several heads of appropriation, which were payable by him, included the whole in that of pay; but when the accounts come to be finally settled, the actual disbursements will be charged to the proper appropriation, and will produce the necessity of the transfers before alluded to.

Quartermaster's Department, current and arrearages.—Whatever balance may remain undrawn on account of this appropriation on the 1st of January, 1818, will be required to meet the actual expenditures for the current service of the year 1817. So far as any opinion can be formed from the accounts which have been rendered to the 30th of September last, it is believed that the appropriation made under this head for the current service of the year 1817, will be sufficient to cover the expenses incurred in that year. The deficiency in the appropriation has arisen from the payment of arrearages, and in consequence of the transfers which have been made from this appropriation on the settlement of individual accounts, to cover which, a transfer has been made to its credit by order of the President, to the amount of \$65,000. Under this head of appropriation, there are considerable sums yet due on account of arrearages.

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Ordnance Department, current and arrearages. this appropriation will be expended on the 1st January, 1818, and The whole of there will be claims, not however to any great extent, unsatisfied.

Balances due to certain states, &c. Whatever balance may remain unexpended on the 1st of January, 1818, of this appropriation, will be required to meet the claims of the states; although no notice has been taken of this item in the general estimate which has been furnished to the Secretary of the Treasury, it is probable that a further appropriation on this account, during the present session of Congress, will be required.

Arming and equipping the militia. There will probably remain 100,000 dollars of this appropriation undrawn on the 1st of January, 1818; it is, however, applicable only to the object for which it was

appropriated.

Bounties and premiums. Of this appropriation there will remain undrawn on the 1st of January, 1818, about 90,000 dollars; this sum cannot, however, be transferred by the legislature with propriety to any other objects of the public service; as it appears from a statement made by the paymaster general, that he has expended over and above the amount placed in his hands, a larger sum than that abovemen-

tioned, on account of arrearages of bounties and premiums.

The appropriation for bounties and premiums for the year 1817, was made on a supposition, that twenty-five hundred men would be recruited within the year; but as more than three thousand men will have been recruited within that period, the appropriation will necessarily be deficient; and as the discharges from the army in 1818, will probably be equal to those in 1817, and a correspondent number of recruits will therefore be required, it may be proper to increase this appropriation for the year 1818, and make it 44,000 dollars instead of 32,000, as stated in the general estimate.

Clothing. Of this appropriation there will probably remain 100,000 dollars undrawn. Whether the whole of this sum will be required to meet the expenditures under this head, for the year 1817,

is not known.

Medical and hospital department. There will probably be 15,000 dollars of this appropriation unexpended on the 1st of January, 1818; which sum may be considered as applicable to the current expenditures under this head of appropriation, for the year 1818.

Cannon and shot. This appropriation will be exhausted.

Arsenals. This appropriation will be exhausted, and will not

meet the expenditures.

Mat rials for carriages, for cannon, and caissons. About 15,000 dollars of this appropriation will remain undrawn, and may be considered as applicable to the current expenses for the same objects for

Salt petre. The sum appropriated for this object will be require ed to fulfil the contract, on account of which it was appropriated.

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Armories. There will probably remain 20,000 dollars of this appropriation, which may be applied to the appropriation for the same

objects, for the year 1818.

Fortifications. One million one hundred thousand dollars of this appropriation will remain unexpended and not required for the current expenditures for the year 1817, and will be sufficient to meet any probable demands on account of the expenditures under this

head, for the year 1818.

Contingencies. This appropriation will be exhausted, and a considerable amount is yet due on account of arrearages. It is believed that the current expenditures under this head of appropriations for the year 1817, will not exceed the sum which has been stated in the general estimate, as required for the expenditures for 1818. The deficiency in this appropriation has arisen from the payment of arrearages, the principal items of which were for the transportation of the baggage of militia officers, and for the payment of a large amount of interest due to the state of Pennsylvania, and to the banks in Charleston and Savannah, for money advanced to officers of the government during the late war.

Military academy .. This appropriation will be absorbed, and a

further one required, which is not stated in the general estimate. Forage. Sixty thousand dollars of this appropriation will not be required, and may be applied to the current expenditures for the year 1818. On the settlement of the paymaster general's accounts, a considerable sum will be transferred to the credit of this appropriation, in consequence of the officers having drawn forage in kind, which was paid for by the quarter masters. When money is paid in

lieu of forage, the payments are made by the paymaster.

There are a number of other appropriations which were made during the late war, and on which small balances remain unexpended: those balances altogether amount to about 25,000 dollars. It is not deemed expedient to apply those balances to other objects of public service, until the accounts for disbursements under the several objects of appropriation shall have been more generally settled.

In making out the general estimate for the appropriations that will be required to be made during the present session of Congress, an appropriation for a gross sum of 400,000 dollars has been asked for on account of "arrearages" accruing previous to the 1st of July, 1815; and a further sum of 100,000 dollars on account of any arrearages which may have accrued between the 1st of July, 1815, and the 1st of January, 1817. The reasons which induced this deviation from the usual mode of making estimates, are-

1st. The agents and officers charged with the payment of arrearages, having with very few exceptions, been directed to close and settle their accounts, payments in future on that account will be made almost exclusively, on the report of the respective auditors; and the second auditor being charged with the settlement of all the accounts, under every head of the appropriations for expenditures [50]

which may have accrued between the 1st of July, 1815, and the 1st of January, 1817; and the third auditor being charged with the settlement of all those for expenditures, which may have accrued previous to the 1st of July, 1815; it will facilitate their respective duties, particularly as it respects the keeping of their appropriation accounts for arrearages, distinct and separate from those for the carrent service,

to make the appropriations as required.

2d. It has become exceedingly difficult to make an estimate with any pretensions to accuracy, of the amounts that may be required to meet the arrearages under each and every head of the appropriations. The arrearages now actually due for expenses incurred previous to the 1st of July, 1815, are principally on account of the quartermaster's department; transportation of officers baggage, which is chargeable to contingencies, and pay of the army, under which head may be included the subsistence of officers, and bounties and premiums; but under each head of all the appropriations that were made during the late war, there are occasionally balances reported to be due, and which cannot previously be ascertained. inconvenience however of making appropriations under specific heads for arrearages, arises principally from the extent and number of the transfers which are made on the settlement of the accounts of the disbursing officers, for expenses incurred previous to the 1st of July, 1815; for whatever might be the accuracy of the estimates and the appropriations made on them, so far as they respected the sums actually outstanding and due by the government, yet the whole face of those appropriations would be changed in a few months, by the transfers which would be made in the progress of the settlement of the accounts as above stated.

It is believed that this inconvenience may be removed by making the appropriations for arrearages in gross, and as stated in the estimate; and by such an alteration of the act passed at the last session

of Congress, relative to transfers as has been suggested.

The appropriation for arrearages accruing between the 1st of July, 1815, and the 1st of January, 1817, is asked for to cover some arrearages in the quartermaster's department for that peroid, particularly a sum of 22,000 dollars due on account of the barracks built at Sackett's Harbour; there are, also, balances due to the soldiers of the regular army who may have been discharged, and particularly to the representatives of officers and soldiers, who may have died within that period. It is probable, also, that there are outstanding claims against the several branches of the Ordnance Department, and some of the other heads of the appropriations, for expenses incurred during that time. The sum estimated for is believed to be sufficient to meet all these claims.

I have the honor to be,
With great respect, Sir,
Your obedient servant,
J. C. CALHOUN.

Note.—All accounts relative to the Indian affairs have been kept by the fifth auditor, since the passage of the act of the 3d of March last, entitled "An act to provide for the prompt settlement of

public accounts."

It is not known how far the appropriation on account of the *Indian department*, may be adequate to cover the expenses incurred on account of that department for the year 1817. Notwithstanding considerable efforts have been made to limit those expenditures, it is apprehended that the permanent appropriation of 200,000 dollars, is not sufficient to meet the annual expenditures of that department.